



FUNDING SYSTEMS RAILCARS INC.

ONE THOUSAND RIDC PLAZA • PITTSBURGH, PA. 15238 • (412) 963-9870 • TELEX: 866405 FUNDSYSTEM

Respond To:

December 14, 1979

9-348A011

Secretary
Interstate Commerce Commission
Washington, DC 20423

RECORDATION NO. 10831-A Filed 1425

Date DEC 14 1979

Fee \$ 10.00

DEC 14 1979 - 10 30 AM

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

Dear Sir:

Enclosed for recordation under the provisions of Section 20c of the Interstate Commerce Act and the regulations promulgated thereunder, as amended, are the original and two counterparts each of an Amended Security Agreement dated December 14, 1979 and an Amended Lease and Management Agreement dated December 14, 1979 and an Assignment and Assumption Agreement dated December 14, 1979.

A general description of the railroad equipment covered by the enclosed documents is as follows:

One hundred (100) 100-ton open-top triple pocket hopper cars bearing reporting marks and numbers UMP 7100-7199 inclusive.

The names and addresses of the parties to the enclosed documents are:

A. Amended Security Agreement, amending Security Agreement, dated September 18, 1979 (Recordation No. 10830).

DEBTOR: Funding Systems Railcars, Inc.
1000 RIDC Plaza
Pittsburgh, PA 15238

SECURED PARTY: American National Bank & Trust Company
33 N. LaSalle Street
Chicago, Illinois 60690

B. Amended Lease and Management Agreement, amending Lease and Management Agreement, dated September 18, 1979 (Recordation No. 10831).

LESSOR: Funding Systems Railcars, Inc.
1000 RIDC Plaza
Pittsburgh, PA 15238

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LESSEE: Upper Merion and Plymouth Railroad Company
P.O. Box 404
Conshohocken, PA 19428

C. Assignment and Assumption Agreement

ASSIGNOR: American National Bank & Trust Company
33 N. LaSalle Street
Chicago, Illinois 60690

ASSIGNEE: New England Merchants National Bank
28 State Street
Boston, Massachusetts 02106

The undersigned is the Assistant Secretary of the Debtor, Lessor and Lessee mentioned in the enclosed documents and has knowledge of the matters set forth therein.


Please return the original of the enclosed Amended Security Agreement and Amended Lease and Management Agreement and Assignment and Assumption Agreement to Charles Kappler, Esq., Alvord and Alvord, 200 World Center Building, 918 Sixteenth Street, N.W., Washington, DC 20006, or to the bearer hereof.

Also enclosed is a remittance in the amount of the required recording fees.

Very truly yours,

FUNDING SYSTEMS RAILCARS, INC.

By


John F. McEmery
Assistant Secretary

JBS/ajm

D/SB3

AMENDMENT
TO
LEASE AND MANAGEMENT AGREEMENT

RECORDATION NO. 10831-A Filed 1425

DEC 14 1979 - 10 12 AM

INTERSTATE COMMERCE COMMISSION

THIS AMENDMENT dated December 14, 1979, to the Lease and Management Agreement dated as of September 18, 1979, by and between FUNDING SYSTEMS RAILCARS, INC., a Delaware corporation (the "Lessor"), and UPPER MERION & PLYMOUTH RAILROAD COMPANY, a Pennsylvania corporation (the "Lessee"),

W I T N E S S E T H:

WHEREAS the Lessor and Lessee have entered into a Lease and Management Agreement dated September 18, 1979,

WHEREAS the Lessor and the Lessee are wholly owned subsidiaries of FSC Corporation, a Delaware corporation ("FSC"),

WHEREAS the Lessor is indebted to American National Bank and Trust Company of Chicago ("ANB") in the amount of \$2,674,000, as evidenced by a promissory note dated September 18, 1979, as amended as of the date hereof (the "Note"),

WHEREAS the Note is secured by the open-hopper cars, which are leased under such Lease and Management Agreement,

WHEREAS Lessor's obligations under the Note are guaranteed by FSC,

WHEREAS the Lessor and FSC then contemplated and desired that ANB would assign all of its right, title, interest, claims and demands in, to and under the Note and related instruments and agreements to New England Merchants National Bank, a national banking association ("New England"),

WHEREAS New England has requested that certain amendments be made to such Lease and Management Agreement as a condition to the assignment thereof to New England,

NOW, THEREFORE, the parties hereto agree as follows:

1. Section 2.3 is hereby amended to read as follows:

"2.3 Place and Manner of Rent Payment. The Lessor hereby irrevocably instructs that payments provided for in this Lease and Management Agreement to be made by the Lessee to the Lessor shall be made to the Secured Party by wire transfer of federal funds or otherwise immediately available funds for the account of the Secured Party with instructions to apply such payments, first, to satisfy the interest on and, second, the principal of the indebtedness of the Lessor under the Notes, and, third, so long as no default shall have occurred and be continuing hereunder or under the Security Agreement, as the Lessor may direct."

2. Section 6.2 is hereby amended to delete clause (c) thereof and to reletter clauses (d), (e) and (f) as clauses (c), (d) and (e), respectively.

3. Section 15.1 is hereby amended to substitute "fifteen (15)" for "thirty (30)" in clause (d) thereof.

4. Lessor and Lessee hereby agree that, notwithstanding anything in Section 15.1 to the contrary, until the Notes are paid in full, only the Secured Party may exercise the rights and remedies available to the Lessor under Section 15.1.

5. Sections 15.2, 15.3 and 16 are hereby amended to substitute "Secured Party" for "Lessor" and "Secured Party's" for "Lessor's" in each case where the words "Lessor" or "Lessor's" appear in such Sections.

6. Clause (ii) of Section 17 is hereby amended as follows:

"(ii) the Secured Party is the Lessor under this Agreement and shall have the sole right to exercise all rights, privileges and remedies (either in its own name or in the name of the Lessor for the use and the benefit of the Secured Party) which by the terms of this Agreement are permitted or provided to be exercised by the Lessor."

7. The following sentence is hereby added to the end of Section 17:

"No right of the Secured Party under this Section or under any other Section of this Lease and Management Agreement shall be conditioned on the existence of an Event of Default under the Notes or a default under the Security Agreement."

8. Section 19 is hereby amended to substitute "18" for "16" therein.

9. In all other respects, the Lease and Management Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereto authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FUNDING SYSTEMS RAILCARS, INC.

[CORPORATE SEAL]

ATTEST:



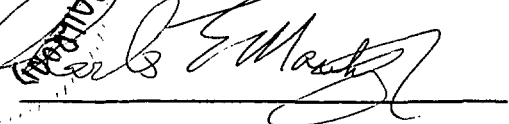
by

Title: Exec. V.P.

UPPER MERION & PLYMOUTH
RAILROAD COMPANY

[CORPORATE SEAL]

ATTEST:



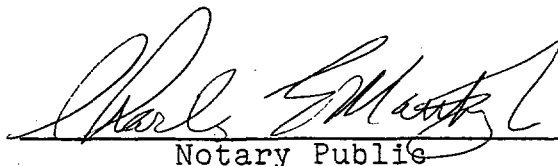
by

Title: Exec. V.P.

STATE OF N.Y.)
) ss.
COUNTY OF N.Y.)

On this 12th day of December, 1979, before me personally appeared Stanley B. Schuman, to me personally known, who being by me duly sworn, says that he is the Exec. Vice President of Funding Systems Railcars, Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

CHARLES E. MATTHEWS, JR.
Notary Public State of New York
No. 60-4691953
Qualified in Westchester County
Commission Expires March 30, 1981


Notary Public

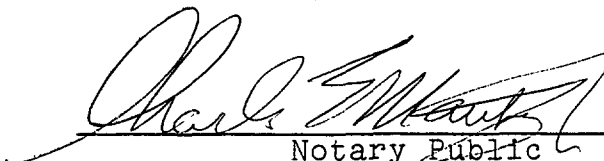
[NOTARIAL SEAL]

My commission expires: _____

STATE OF N.Y.)
) ss.
COUNTY OF N.Y.)

On this 12th day of December, 1979, before me personally appeared Stanley B. Schuman to me personally known, who being by me duly sworn, says that he is the Exec. V.P. of Upper Merion & Plymouth Railroad Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

CHARLES E. MATTHEWS, JR.
Notary Public State of New York
No. 60-4691953
Qualified in Westchester County
Commission Expires March 30, 1981


Notary Public

[NOTARIAL SEAL]

My commission expires: _____

CHARLES E. MATTHEWS, JR.
Notary Public State of New York
No. 60-4001838
Qualified in Westchester County
Commission Expires March 20, 19

CHARLES E. MATTHEWS, JR.
Notary Public State of New York
No. 60-4001838
Qualified in Westchester County
Commission Expires March 20, 19